

Memo to: Melody Lawrence, Dir. of Policy and Delivery System Reform, RI EOHHS
Leah Del Giudice, RI EOHHS

From: Ray Parris, Executive Director, PCHC Accountable Entity

CC: Patrick Tigue, Medicaid Program Director, RI EOHHS; Dr. Jonathan Gates,
Medical Director, PCHC AE; Ron Price, Chief Compliance Officer, PCHC;
Edward Smith, Finance Director, PCHC

Date: September 30, 2019

RE: PCHC Public Comments for State of Rhode Island Medicaid Managed Care
AE Roadmap and PY3 Requirements

Providence Community Health Center (PCHC) is committed to partnering with RI EOHHS and the identified MCOs to produce the highest quality of care at the lowest cost within the Accountable Entity Program (AE). PCHC has reviewed the EOHHS proposed Policy Statements and has developed comments regarding the proposals.

AE Incentive Program:

EOHHS has stated in prior documents the desire to foster a competitive environment between the different AE's. To achieve this goal, EOHHS has begun the process to risk adjust the TCOC target by AE. However, by reducing the incentive pool for Non-RBPO's, EOHHS has disadvantaged the Non-RBPO's by limiting their administrative funding to compete with the RBPO's. PCHC recommends keeping a level playing field between the RBPO's and Non-RBPO's by not making any changes incentive pool calculations.

Change in the PPS Payment:

The change in methodology of paying the MCO upfront the PPS payment and subsequent increase to the TCOC target places the FQHC AE at a tangible disadvantage. The additional capitation to the MCO for the PPS payments has been diluted by using the full Medicaid membership while the FQHC's will experience the full expense within their TCOC actual expense. PCHC recommends EOHHS standardizes a methodology for the MCO's to follow when calculating the TCOC to account for this disparity.

Risk Adjustment:

PCHC believes Risk Adjustment should have a geographical component. Rhode Island has a diverse population and a very high concentration of teaching hospitals. Many states employ a geographical component to their rate setting process. New York is risk adjusted and has 2 regions (upstate and down state). Maryland is risk adjusted and has 2 regions (inside Baltimore, Outside of Baltimore). Pennsylvania has 5 separate regions. Massachusetts also has a geographic component to their rates.

By employing a multi-region element to the Risk Adjustment, the AE's will have a more equitable and objective basis for their calculated results.

PCHC recommends recalibrating/re-bucketing members into their risk based category ideally on a monthly basis, yet at a minimum on a quarterly basis.

PCHC final recommendation is for transparency with the sharing of and access to RI EOHHS Medicaid rate books between EOHHS, MCOs and AE's.
